

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF PENNSYLVANIA  
READING DIVISION**

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In re:	Chapter 13
Traci L. Williams,	Bankruptcy No. 17-18100-ref
Debtor	

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Traci L. Williams,	
Plaintiff	Adversary Proceeding No.
v.	
Beneficial Bank,	
Defendant	

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**COMPLAINT SEEKING TO DETERMINE THE EXTENT AND VALIDITY OF  
SECURED STATUS OF CREDITOR UNDER 11 U.S.C. SECTIONS 502, 506**

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Debtor and Plaintiff, Traci L. Williams, by and through her counsel, Brenna H. Mendelsohn, Esquire and Mendelsohn & Mendelsohn, P.C., hereby files this Complaint Seeking to Determine the Extent and Validity of Secured Status of Creditor Under 11 U.S.C. Sections 502, 506, and in support thereof sets forth as follows:

1. Plaintiff, Traci L. Williams, is the Debtor in the above-captioned Chapter 13 proceeding.
2. Defendant is Beneficial Bank, doing business in the Commonwealth of Pennsylvania.
3. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. Section 1334(b) as a proceeding under the Bankruptcy Code.
4. The matters set forth in this Complaint are core proceedings and may be heard by a Bankruptcy Judge pursuant to 28 U.S.C. Section 157(b)(2)(A) and (K).
5. This is an action brought under those provisions of the Bankruptcy Code, 11 U.S.C. Sections 502(b) and 506(a)(d), allowing the Plaintiff to determine the extent and validity of a certain mortgage lien allegedly held by Beneficial Bank in the residence owned by the Debtor

located at 524 Oley Street, Reading, Pennsylvania, (hereinafter referred to as “the property”).

6. Venue is proper in the Eastern District of Pennsylvania pursuant to 28 U.S.C. Section 1409.

7. On December 3, 2017 the Debtor filed a Petition for Relief under Chapter 13 of the Bankruptcy Code.

8. Beneficial Bank has a secured second mortgage on the property. The balance as of the Petition date was around \$17,000.00.

9. The debtor has a first lien mortgage against the property held by Rushmore Loan Management Services in the amount \$99,746.77.

10. Beneficial Bank’s second mortgage is unsecured pursuant to 11 U.S.C. Section 506(a).

11. The value of the property in its current condition is determined to be worth no greater than \$84,928.00. Attached as Exhibit “A” is a Bank of America Home Value.

WHEREFORE, Debtor requests judgment against Beneficial Bank declaring that Beneficial Bank’s claim is unsecured and avoiding the Mortgage and declaring the same to be null and void.

Respectfully Submitted,

Mendelsohn & Mendelsohn, P.C.

Date: March 23, 2018

By: /s/ Brenna H. Mendelsohn  
Brenna H. Mendelsohn, Esquire  
637 Walnut Street  
Reading, PA 19601